Fall in Production of essential drugs

3786. CHOWDHARY RAM SEWAK:
SHRI SANTOSH KUMAR SAHU:

Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question No. 1321 given in the Rajya Sabha on 5-12-1991 and state:

(a) whether production of 57 out of 90 essential drugs for which production is monitored has fallen in 1990-91 as compared to 1989-90.

(b) in how many cases the fall is attributable to uneconomic prices and what are the names of such drugs;

(c) in how many cases the fall in production is on account of availability of better, more potent and safer drugs and what are the names of such drugs alongwith names of their potent substitutes;

(d) whether it is a fact that production statistics maintained by Government is itself wrong, incomplete, baseless and duplication of effort;

(e) whether it is a fact that the same data is maintained by DGTD and is also contained in other documents; and

(f) if so, what is the need of keeping manpower of three officers and other staff members?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir.

(b) and (c) The reasons for fall in production would be attributed to one or a combination of factors like economic viability, drug obsolescene, fall in market demand due to introduction of better or more potent and safer drugs, corporate plans of the unit etc.

(d) No, Sir. The data is being maintained on a selective basis, keeping in view the administrative constraints, on the basis of the production returns furnished by companies in the organised sector.

(e) and (f) The data has to be readily available for smooth day-to-day working of the Department including for answering Parliament Questions and for working out future plans keeping in view emerging trends.

Latest Drugs included in local patent Forms

3787. SHRI CHIMANBHAI MEHTA:
SHRIMATI MIRA DAS:
SHRI SARADA MOHANTY:
SHRI SOM PAL:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact latest drugs invented and produced in developed countries are inducted in India in local patent form after the passage of few years;

(b) which are the latest life saving and psychotherapy drugs invented and produced in developed countries but yet to be manufactured in India; and

(c) whether the research in drugs is intense and result oriented?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir. As per the present provisions of Indian Patents Act, 1970, some drugs covered by product patents abroad are introduced in India.

(b) This is not being monitored in this Ministry.

(c) The original research in the development of drugs is a time consuming and difficult task and also involves huge expenditure.

Indian drugs

3788. SHRI SOM PAL :
SHRI CHIMANBHAI MEHTA :
SHRIMATI MIRA DAS :
SHRI SARADA MOHANTY :

Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that Indian drugs are the cheapest in the world, if so, what is the price of Indian life saving drugs comparable with developed countries including U.S.A.;

(b) whether it is a fact late Shrimati Indira Gandhi and late Shri Rajiv Gandhi opposed patenting in drugs plants and seeds, if so, the details in this regard; and

(c) what is the number and percentage of drugs under controlled price when the prices were fixed last, what was the margin of profit permitted to manufacturers at that time, whether input cost have gone up, if so, how much, whether it is a fact that price control is flouted?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) It is understood that finished formulations are available in the country at cheaper price. However, no study has been made in this regard.

(b) The matters related to intellectual property rights are regulated by the Government in accordance with the provisions contained in Indian Patents Act, 1970 which is administered by the Ministry of Industry.

(c) In accordance with DPCO, 1987, at present, 143 bulk drugs and formulatons based thereon and multi-ingredients formulations based on vitamins are under price control. It is estimated that approximately 70% of Pharma market falls under price control.

Margin of Profit

Bulk Drugs	14% on Net Worth Or 22% on Capital employed.
Formulations	Profit margin is included in MAPE of 75% and 100% on Category I and Category II respectively.

Price fixation mechanism and procedures take into account all the cost inputs. The price fixation/revision is an on going exercise.

Prices of certain medicines

3789. SHRIMATI SATYA BAHIN: Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 1341 given in the Rajya Sabha on the 5th December, 1991 and state :

(a) what are the prices of Sulphadiazine, Diloxanide Furoate and Furazolidone on which the ceiling prices of finished medicines are presently based;

(b) whether it is a fact that the price of Entamizole has been based on the Bulk drug price Rs. 541/- per Kg;

(c) whether it is also a fact that the producer of Entamizole is not the producer of Bulk drug;

(d) if so, what are the basis on which this price was taken for fixation of finished medicine price;

(e) when the company submitted last cost data for Bulk Drug and what are the main elements taken into consideration while revising the Bulk drug price; and

(f) whether Cost-cum-Technical study of any of those drugs was made, if so, when?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) The prices of ceiling packs of formulations based on Sulphadizine and Diloxanide Furoate are based on the current notified price of bulk drug +8% incidental thereof. There is no ceiling price of formulation based on Furazolidone.

(b) and (c) No, Sir.

(d) Does not arise.

(e) BICP's report for Diloxanide Furoate for Boots and other companies is based on the data collected during the year 1988. The main raw materials used in the manufacture of Diloxanide Furoate are Dichloroacetyl chloride, Furotic Acid Metol and Pyridine. Conversion cost, cost of utilities, interest and return were the other elements of cost.

(f) The requisite information is as under:

1. Sulphadiazine	October, 1988.
2. Diloxanide Furoate	January, 1989.
3. Furazolidone	February, 1989.

Cases of overcharging of prices

3790. SHRIMATI SATYA BAHIN: Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question No. 1347 given in Rajya Sabha on 5th December, 1991 and state:

(a) whether it is a fact that several cases of overcharging of prices have not been mentioned in reply to Rajya Sabha Unstarred Question 650 on 5th September, 1991;